DIAMOND WARRANTY

KEEP WITH YOUR VALUABLE PAPERS

KAY®
JEWELERS

KAY JEWELERS

The diamond people®

STORE

A S M

DATE

SALESPERSON NO.

REG. NO.

TRANS. TYPE

SALES SLIPS MUST ACCOMPANY ALL RETURNS

K-2 #

3699041999 #

TRANS 21 #

SLMN # 0 #

IBM #

80670025817 #

DIAMONDS 895.00 I

DISC 10.0% 89.50-

IBM #

163212015827 #

WED BANDS 65.00 I

DISC 10.0% 6.50-

IBM #

151143780627 #

WED BANDS 300.00 I

DISC 10.0% 30.00-

SUBTOTAL 1134.00

TAX 73.71

TOTAL 1207.71

PAYCDE 80 #

PAYCDE 71 #

CASH 12.71

PAYCDE 72 #

CHECK 200.00

PAYCDE 80 #

ACCT # 2038921294 #

KAY CHGE 995.00

9041999

CASH

CHECK CHECK NO.

CHARGE CHARGE TYPE

APPROVAL

CHARGE ACCOUNT NUMBER

CUSTOMER COPY

CUSTOMER

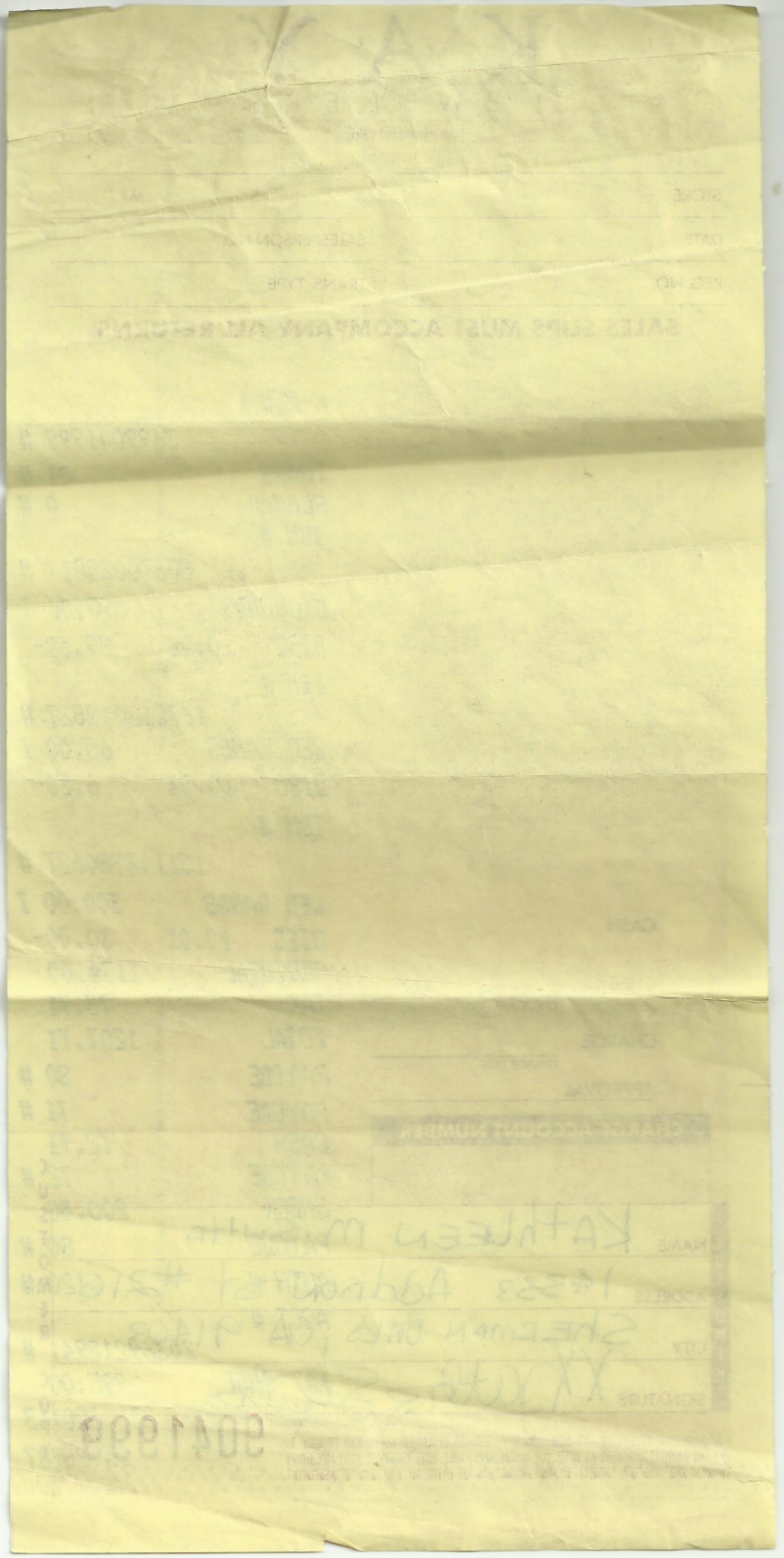
NAME KATHLEEN M Sutta

ADDRESS 14333 Addison St #216

CITY SHERMAN OAKS CA 91403

SIGNATURE X Kathleen Sutta

I ACKNOWLEDGE RECEIPT OF THE MERCHANDISE / SERVICES DESCRIBED ABOVE AND PROMISE TO PAY THE AMOUNT INDICATED AS TOTAL (OR WHERE APPLICABLE, NET) TOGETHER WITH ANY OTHER CHARGES DUE THEREON, SUBJECT TO AND IN ACCORDANCE WITH MY KAY CHARGE AGREEMENT.



KAY JEWELERS, INC., CHARGE ACCOUNT AND SECURITY AGREEMENT
(NEW YORK-RETAIL INSTALLMENT CREDIT AGREEMENT)

I agree that the following applies to my Kay Jewelers Charge Account:

1. Minimum Payment. I will pay for all purchases made by me or others I have allowed to use my account in U.S. Dollars. I can avoid incurring a finance charge by paying my account balance ("New Balance") in full provided that such payment is received before the next closing date. If I elect not to pay the New Balance in full I will pay as follows:
   (i) If the New Balance following a purchase is $750.00 or less, my account will be payable in equal monthly payments of 12% of that New Balance plus any past due amounts until paid in full or I make a subsequent purchase.
   (ii) If the New Balance following a purchase is in range of $750.01 - $1500.00 my account will be payable in equal monthly payments of 8% of that New Balance plus any past due amounts until paid in full or I make a subsequent purchase.
   (iii) If the New Balance following a purchase is $1500.01 or greater, my account will be payable in equal monthly payments of 6% of that New Balance plus any past due amounts until paid in full or I make a subsequent purchase. No payments shall be less than $10.00 except for the final balance.
2. Finance Charge. Kay will figure the finance charge by multiplying the Average Daily Balance shown on the monthly statement by the following monthly periodic rate(s), effective from time to time, in the state of my residence:

States	Monthly Periodic Rate(s)	Portion of Balance to Which Applied	Annual Percentage Rate(s)	Monthly Minimum
HI, NC, ND, NH, WI LA, MA, SC, UT MO, PA FL, WA	1.50%	Entire	18.0%	$ .00 $ .50 $ .70 $1.00
IA	1.65%	Entire	19.8%	$ .50
MI	1.70%	Entire	20.4%	$ .70
KY MS, OK, RI, WY CO, IN, VT TN GA	1.75%	Entire	21.0%	$ .00 $ .50 $ .50 $ .70 $1.00
DC, NV, OR ID, MT, NJ AZ, SD, VA NY DE, IL, OH	1.80%	Entire	21.6%	$ .00 $ .50 $ .50 $ .70 $1.00
AR	1.00%	Entire	12.0%	$ .00
CT, NM	1.25%	Entire	15.0%	$ .00
MN	1.33%	Entire	16.0%	$ .50

States	Monthly Periodic Rate(s)	Portion of Balance to Which Applied	Annual Percentage Rate(s)	Monthly Minimum
NE	1.75% 1.50%	$500 or Less Over $500	21.0% 18.0%	$ .00
TX	1.50% 1.00%	$1450 or Less Over $1450	18.0% 12.0%	$ .75
AL	1.75% 1.50%	$750 or Less Over $750	21.0% 18.0%	$ .50
AK	1.50% 1.00%	$1000 or Less Over $1000	18.0% 12.0%	$1.00
CA	1.60% 1.00%	$3000 or Less Over $3000	19.2% 12.0%	$1.00
KS	1.75% 1.20%	$300 or Less Over $300	21.0% 14.4%	$ .50
MD	1.50% 1.00%	$700 or Less Over $700	18.0% 12.0%	$ .00
WV	1.50% 1.00%	$750 or Less Over $750	18.0% 12.0%	$ .50

3. Reverse Side. I understand that the additional terms and provisions printed on the reverse side of this Agreement are a part of this Agreement and that I am bound by them in the same manner as if they were printed on the front of this Agreement.

NOTICE TO BUYER:

1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES.
2. YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT AT THE TIME YOU SIGN IT. KEEP IT TO PROTECT YOUR LEGAL RIGHTS.
3. UNDER THE LAW, YOU MAY AT ANY TIME PAY THE NEW BALANCE OUTSTANDING UNDER THIS AGREEMENT.
4. YOU MAY, UNDER CERTAIN CIRCUMSTANCES, REDEEM THE PROPERTY IF REPOSSESSED BECAUSE OF YOUR DEFAULT, AND YOU MAY, UNDER CERTAIN CIRCUMSTANCES, REQUIRE A RESALE OF THE PROPERTY IF REPOSSESSED.
5. THE SELLER HAS NO RIGHT TO UNLAWFULLY ENTER YOUR PREMISES OR COMMIT ANY BREACH OF THE PEACE TO REPOSSESS GOODS PURCHASED UNDER THIS AGREEMENT.

NOTICE

ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

I HAVE RECEIVED A COPY OF THIS ACCOUNT AND SECURITY AGREEMENT, THE FAIR CREDIT BILLING ACT DISCLOSURES, THE EQUAL CREDIT OPPORTUNITY ACT NOTICE, AND THE NOTICE TO COSIGNER.

OPTIONAL CREDIT LIFE PROTECTION

CREDIT LIFE INSURANCE IS VOLUNTARY. THE AMOUNT OF SUCH INSURANCE IS DETERMINED IN ACCORDANCE WITH AND AS EVIDENCE BY THE CERTIFICATE. THE CHARGE FOR THIS INSURANCE IS COMPUTED AS OF YOUR BILLING DATE BY APPLYING THE MONTHLY RATE OF $ .10 PER $100.00 OF THE NEW BALANCE. MAXIMUM INSURANCE $10,000.

IF AVAILABLE, ☐ **I DO** DESIRE **CREDIT LIFE INSURANCE.**

☐ **I DO NOT** DESIRE **CREDIT LIFE INSURANCE.**

BUYER X Kathy Sutton DATE 5/28/87

OPTIONAL PROPERTY INSURANCE PROTECTION

PROPERTY INSURANCE IS VOLUNTARY. THE BUYER MAY OBTAIN THIS INSURANCE THROUGH ANY DESIRED SOURCE. IF BUYER DESIRES INSURANCE TO BE OBTAINED THROUGH SELLER, THE MONTHLY PREMIUM COST IS $ 450.8 PER MONTH PER $100.00 OF THE NEW BALANCE. MAXIMUM INSURANCE $10,000.

IF AVAILABLE, ☐ **I DO** DESIRE **PROPERTY INSURANCE.**

☐ **I DO NOT** DESIRE **PROPERTY INSURANCE.**

BUYER X Kathy Sutton DATE 5/28/87

X Kathy Sutton 5/28/87

APPLICANT'S SIGNATURE DATE

CO-APPLICANT'S SIGNATURE DATE

(SUBJECT TO CREDIT APPROVAL) **KAY JEWELERS, INC.**
320 KING STREET, ALEXANDRIA, VA 22314

By: K HARTNETT

PRIMARY CUSTOMER COPY

This contract supersedes any and all previous contracts.

NOTICE: See reverse side for important statement of your billing rights, Equal Credit Opportunity Act Notice, and Notice to Cosigner.

K-149-1 REV. 8/85

Additional Terms and Provisions

4. Average Daily Balance. Kay will figure the finance charge on my account by applying the periodic rate to the "average daily balance" of my account (including current transactions). To get the "average daily balance" Kay takes the beginning balance of my account each day, adds any new purchases, subtracts any payments or credits, and any unpaid finance charges. This gives Kay the daily balance. Then Kay adds up all the daily balances for the billing cycle and divides the total by the number of days in the billing cycle. This gives Kay the "average daily balance." For residents of VT, RI, ME, NM, ND, NE, MS, MI, MA & MT current transactions will be excluded.

5. Security Interest in Goods. Kay has a security interest under the Uniform Commercial Code in all merchandise charged to the account. If I do not make payments as agreed, the security interest allows Kay to repossess only the merchandise which has not been paid in full. I am responsible for any loss or damage to the merchandise until the price is fully paid. Any payments I make will first be used to pay any unpaid finance charge(s) and then to pay for the earliest charges on the account. If more than one item is charged on the same date, my payment will apply first to the lowest priced item.

6. Waiver of Lein on Residence. Kay gives up any right to retain or acquire any lien which Kay might be automatically entitled to by law on real estate, which I use as my principal residence. This does not apply to a lien created by a court judgment or acquired by a filing as provided by statute.

7. Kay's Rights. Kay may do any or all of the following: (a) it may require that I pay all or part of my unpaid balance if I fail to make any required payments when due; (b) if I have not made payments as required and my account is sent for collection to an attorney who is not its salaried employee, it may charge for its attorney's fees as permitted by law up to 20% of the amount owing on my account, plus allowable court costs; (c) it may change the terms of my account if not prohibited by law; and (d) it may limit or close my account, but then the terms of this Agreement will apply until any unpaid balance is fully paid.

8. State of Residence Controls Terms. I agree that the finance charge and other terms of my account will be determined by the law of my state of residence. should I change my state of residence I will inform Kay.

9. Credit Investigation and Disclosure. Kay has the right to investigate my credit, employment and income records, and has the right to verify my credit references and to report the way I pay this account to credit bureaus and other interested parties.

10. Account Subject to Approval of Kay's Credit Department. This Agreement and all charges on the account are subject to the approval of Kay's Credit Department. The Agreement will be considered approved when Kay delivers notice of approval to me.

11. Authorized Buyers. This Agreement controls all charges made on the account by me or any person I authorize to use the account. If applying for a joint account, both of us agree to be bound by the terms of this Agreement and each of us agree to be jointly and severally liable for payment of all purchases made under this Agreement.

12. Credit Cards. Credit cards belong to Kay and I agree that Kay may at any time, without notice, revoke my right to use them. I also agree to return or destroy the card(s) at Kay's request.

13. Returned Check Fee. A $5 fee will be charged whenever a check submitted as payment on my account is returned for non-sufficient funds or for any other reason.

YOUR BILLING RIGHTS, KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us In Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill, and we must let you know to whom such reports were made. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first $50 of the questioned amount, even if your bill was correct.

Special Rule for Credit Card Purchases

If you have a problem with the quality of property or services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

(a) You must have made the purchase in your home state or, if not within your home state within 100 miles of your current mailing address; and
(b) The purchase price must have been more than $50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

NOTE: Residents of California—The laws of your State allow you a longer period of time. Reliance upon the longer time period available under state law may result in your losing important rights which could be preserved by acting more promptly under federal law. Such state law provisions shall only become operative upon the expiration of the time period permitted under federal law for submitting a proper written notification of a billing error.

NOTICE TO COSIGNER

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of your credit record.

This notice is not the contract that makes you liable for the debt.

EQUAL CREDIT OPPORTUNITY ACT NOTICE

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning Kay Jewelers, Inc., is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

Note to Ohio Residents
The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

Kay Jewelers, Inc.

CHATTLE MORTGAGE NON-FILING DISCLOSURE
for revolving charge agreements

We may charge an actual filing fee for filing a security interest financing statement with public officials. However, instead of filing, we will charge and you agree to pay a (CMNF actual rate) fee for security interest non-filing insurance (CMNF Fee).

Actual Filing Fee 4.75 _____ CMNF Fee 3.75 _____

The CMNF Fee will appear on your first statement and is a one time fee for the life of the account.

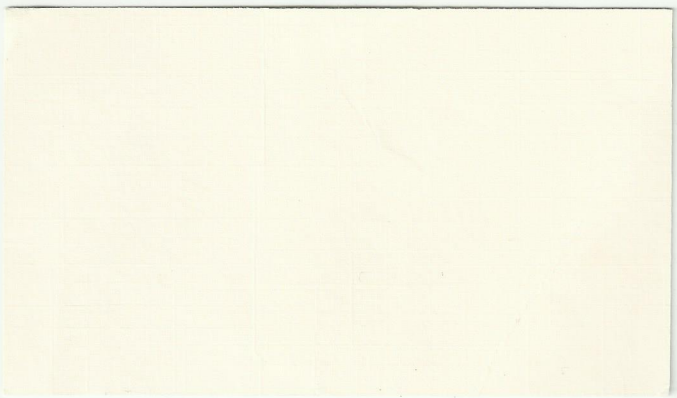
Date 5/28/87 _____ X Kathy Sutton _____
Customer Signature

K-403

KAY®
JEWELERS
The diamond people®

48 PANORAMA MALL
PANORAMA CITY, CA 91402
(818) 893-8259

ROB HARTNETT
MANAGER



CERTIFICATE OF QUALITY

Kay Jewelers presents your Certificate of Quality for your exquisite Diamond Solitaire, mounted in 18K gold. The quality of your diamond is certified to be VS 1 or better in clarity, with a color grade of at least H. You are also assured of a fine precision cut. The weight of your diamond is .25 Points.

The quality of your diamond is extremely rare, representing less than one in every hundred of all gem quality diamonds. It radiates the beauty that only a particularly fine diamond can generate.

Your diamond is also covered by Kay Jewelers exclusive Limited Lifetime Warranty.

895.00	R Hartnett
RETAIL	MANAGER SIGNATURE
0806700258017	369
STYLE NO.	STORE

KAY®
JEWELERS
The diamond people®

K-392

QUALITY

Every diamond is different and accurately judging these differences is the key to quality. We make sure your diamond meets rigid requirements of grade, cut and color.

KAY®

JEWELERS

The diamond people®

CERTIFICATE OF QUALITY

KAY®
JEWELERS
The diamond people®

LIMITED LIFETIME WARRANTY

LIMITED LIFETIME WARRANTY (DIAMOND LOSS OR DAMAGE)

WARRANTY DURATION AND COVERAGES

Kay Jewelers will replace any diamond lost from the jewelry described and will replace any diamond that may chip or break while in the jewelry, provided your jewelry was inspected by Kay Jewelers every six months. This inspection must be recorded on the reverse side hereof and any necessary repairs performed by Kay Jewelers.

LIMITED LIFETIME WARRANTY (SETTING)

Kay Jewelers will repair or replace the setting in which your diamond is set if it is defective in materials or craftsmanship, provided the semi-annual inspections mentioned above have been performed.

HOW TO OBTAIN WARRANTY SERVICE

If your diamond jewelry requires any service, simply return it, together with these warranties, to any Kay jewelry store.

LIMITATION ON YOUR WARRANTIES

The performance of these warranties shall not be required of Kay Jewelers for loss or damage to your diamond caused by unreasonable use or the repair or sizing of your jewelry by someone other than Kay Jewelers.

LEGAL REMEDIES

These warranties give you specific legal rights, and you may also have other rights which vary from state to state. The warranties contained herein are issued by Kay Jewelers, Inc., 320 King Street, Alexandria, Virginia 22314.

TRADE-IN CREDIT PRIVILEGE

You, as the original owner, will be allowed full credit of $ 895.00, toward the purchase price of any other diamond of greater value, at any time, at any Kay jewelry store. Further, we will assure you, for trade-in purposes only, a minimum 25% increase in the amount of the credit after the 5th anniversary of your purchase; and a minimum 50% increase after the 10th anniversary of your purchase, providing your diamond is undamaged and the semi-annual inspections mentioned above have been performed.

CUSTOMER SATISFACTION POLICY

If, for any reason, you wish to return your diamond jewelry within three months of purchase, your money will be refunded in full.

Kay Jewelers extends the assurances herein described to

Purchaser(s)

in connection with the sale of the following described diamond jewelry:

Diamond Shape ROUND

Diamond Quality ZZQ

Precious Metal (Setting) 18K

Description Lds 1/4 DIA ENG

Registration No. 08067002561 7

Saleslip No. 9041999

Date of Purchase 5-28-87

Authorized Representative K HARTNETT

Store No. 369

Kay Jewelers

DIAMOND INSPECTION DATES

DATE	INSPECTED BY	STORE
12/5/87	[illegible]	366
7/3/88	[illegible]	364
12/[illegible]/88		
7/1/89	[illegible]	369
9/29/89	[illegible]	369

KAY JEWELERS DIAMOND WARRANTY